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Speaker Madigan: "And we shall call to order the Seventeenth Special Session. Mr. Hannig, on your Motion."

Hannig: "Yes. Thank you, Mr. Speaker. I would just simply renew my Motion that we reconsider the vote by which Senate Bill 307 failed."

Speaker Madigan: "The Gentleman moves to reconsider the vote.

The Chair recognizes Mr. Reis."

Reis: "Inquiry of the Chair, Mr. Speaker."

Speaker Madigan: "State your inquiry."

Reis: "I know we're getting back to business here and I see that there's a Blackhawk's game tonight at 7:30 in Chicago, so I'm sure you want to keep things moving along, but could you kind of tell us what are the Bill's we're going to vote on and Amendments so we can kind of have some idea in our own mind as to what's planned for today and how we're going to address the issue of the CTA?"

Speaker Madigan: "The plan is to call Senate Bill 307 and then to call Senate Bill 572."

Reis: "And the Amendment's for 572."

Speaker Madigan: "Well, I believe there'll be Amendments to both Bills."

Reis: "Okay. Thank you, Mr. Speaker."

Speaker Madigan: "Yeah. Mr. Black."

Black: "Thank you, Mr. Speaker. An inquiry of the Chair."

Speaker Madigan: "State your inquiry."

Black: "Let me make sure I'm following along here correctly.

The vote by which Senate Bill 70... excuse me, Senate Bill 307 was taken occurred in a Special Session, correct?"

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Speaker Madigan: "Yes."

Black: "Now, the Gentleman made a verbal Motion to reconsider that vote. Having voted on the affirmative or negative side, I assume he has filed that in writing on the day of the vote."

Speaker Madigan: "The Clerk indicates, yes."

Black: "All right. Would his verbal Motion to reconsider that was made, if I heard you correctly, was made when we were not in Special Session, would his verbal Motion then be out of order? Or have you moved into Special Session and then he made the Motion?"

Speaker Madigan: "We are now in Special Session. And if he has not done it, I was going to ask Mr. Hannig to renew the Motion..."

Black: "All right. Thank you."

Speaker Madigan: "...in Special Session. Mr. Hannig."

Hannig: "Yes. Thank you, Mr. Speaker. Just, again to clarify, on page 2 of the Calendar, which is page 2 of the Special Session Calendar, I have a Motion in writing to... under Rule 65 to reconsider the vote by which Senate Bill 307 failed and I voted on the prevailing side. So, I would make that Motion."

Speaker Madigan: "All right. The Gentleman has moved to reconsider the vote. And on that question, those in favor of that Motion will vote 'aye'; those opposed will vote 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 62 people voting 'yes', 53 people voting 'no'. The

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Gentleman's Motion is adopted. On Supplemental Calendar #1 for the Seventeenth Special Session, there appears Senate Bill 307. Mr. Clerk, what is the status of Senate Bill 307?"

Clerk Bolin: "Senate Bill 307, a Bill for an Act concerning transportation. The Bill's been read a second time, previously. A Motion has been filed to table Amendment #2. The Motion has been filed by Representative Hamos."

Speaker Madigan: "Representative Hamos for a Motion."

Hamos: "Speaker, I move that we adopt Amendment #... No, we're on Third Reading. Hello."

Speaker Madigan: "Mr. Clerk, put the Bill on the Order of Second Reading."

Hamos: "Okay."

Speaker Madigan: "And Mr. Clerk, is there a Motion to Table Amendment #2?"

Clerk Bolin: "Yes. A Motion to Table Amendment #2 has been filed by Representative Hamos."

Speaker Madigan: "Representative Hamos on the Motion."

Hamos: "Ladies and Gentleman, I move to table Amendment #2. We have later Amendments that reflect more of our thinking on what this comprehensive Bill should look like and we will be discussing those in a few minutes."

Speaker Madigan: "The Lady... The question is, 'Shall the Motion to Table Amendment #2 be adopted?' Those in favor signify by voting 'yes'; those opposed by voting 'no'. The Clerk shall take the record. On this question, there are 79

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people voting 'yes', 27 people voting 'no'. The Motion to Table Amendment #2 is adopted. Mr. Clerk."

Representative Currie, Clerk Bolin: "Committee Reports. Chairperson for the Committee on Rules, to which the following measure were referred action taken on January 9, 2008, reported the same back with the following recommendation/s: 'direct floor consideration' Amendment #4 to Senate Bill 307, Amendment #13 to Senate Bill 572, and a Motion to accept the Governor's Amendatory Veto for Senate Bill 783."

Speaker Madigan: "Mr. Clerk, on Senate Bill 307, what is the status of the Bill?"

Clerk Bolin: "Senate Bill 307, the Bill's on the Order of Second Reading. Amendment #2 has been tabled. Floor Amendment #4, offered by Representative Hamos, has been approved for consideration."

Speaker Madigan: "Representative Hamos."

Hamos: "So, inquiry of the Speaker and the Chair. Are we going to have the full debate on Amendment #4, right now? That's what we're going to do and then have a Roll Call on Amendment #4? Okay. Okay. Ladies and Gentlemen, Amendment #4 looks very much like the Bill that we... that we've called before at the end of November, November 28. It includes all of the major reforms of the RTA system. It includes all of the major reforms of the CTA pensions and the main difference between this Bill and Senate Bill 572, which we are also going to call, is that this does not include a... an increase in the regional sales tax and it

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does not include the real estate transfer tax in the City of Chicago. It does fund the RTA system through a diversion of the gasoline sales tax. And the only... the major difference, maybe the only difference between this Amendment and the previous Bill that we called before, is that this is now a continuing appropriation to the RTA and a continuing appropriation to the it's downstate transportation... transit agencies and the reason for that is not to get caught up in this kind of annual quagmire of budget process. That is the major difference between this Bill and the Bill that we've already considered. Now, I should tell you that we are also in the process of drafting another Floor Amendment, 5, which will be very simple but I think important and that is to require that in the selection of the RTA chair there have to be at least two (2) people from each of the three (3) subregions who concur in that appointment. That will be reflected in Amendment #5. That's the one thing that's not in here from what we have considered previously. And I'm available for questions."

Speaker Madigan: "Mr. Stephens."

Stephens: "Thank you, Mr. Speaker. First of all, I would request a Roll Call vote on this Amendment and a verification should it get the appropriate number. And would the Lady yield for a question?"

Speaker Madigan: "Lady yields."

Stephens: "Representative, there's language in here that I'm not sure I understand. Has to do with the growth each

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year, as our summary says, as the economy grows and/or the price of gasoline increases, in order to account for that that your proposal provides that an increase from year to year shall not exceed 5 percent annually. Is that right?"

Hamos: "I don't think we put that in, Representative. I think that the intent of this is to divert the gasoline sales taxes that are... that will still have to be computed..."

Stephens: "Okay."

Hamos: "...for these..."

Stephens: "Okay."

Hamos: "...region."

Stephens: "All right. Thank you. Thank... thank you."

Hamos: "And give them to the RTA."

Stephens: "Well, that brings me to maybe a more substantive question. You're taking the increase in gasoline tax... or the gasoline tax in your region... that normally would... goes where? Does that come to the... to Springfield?"

Hamos: "It normally goes to the General Revenue Fund."

Stephens: "For the State of Illinois for the purpose of funding education, social services, mental health. What are we cutting to get these hundreds of millions of dollars out of the..."

Hamos: "Well, Representative, let me be very clear with you that this was not my Bill. This was the Governor's Bill, and he still calls it the 'Saviano Bill'. This was an idea..."

Stephens: "Why are you presenting it?

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Hamos: "This was an idea that came from elsewhere. So, I don't have a... answer."

Stephens: "Why are you presenting it, if it's not your idea?"

Hamos: "I don't have an answer to that, because really for some reason, the Governor is prepared to adopt this... and to allow us..."

Stephens: "You are standing here with language that you don't agree with, and you're putting in an Amendment that you are sponsoring?"

Hamos: "My goal today is to avert a major shutdown of the RTA system in twelve (12) days."

Stephens: "Oh, I got... Oh, I can help you with that, let's just raise fees. How's that? Raise fares. Raise the fares and then we can all go home. What I don't understand Representative, is I live in a downstate district. I represent parts of seven (7) counties. They would love to keep their sales tax revenue, rather than sending it to this administration and seeing it wasted on program after program, that I don't get to vote on. So, you can understand that there's some indignation on the voters that I represent and that we represent that, you know what, you want yours, you want ours, and you want theirs. And then when I ask you questions about it, well, Representative, I don't really agree with this. I'm just doing it because the Governor said so? Is that right? Is that what I tell the people that I represent? Oh, the Lady was very kind to me. She said that she didn't like her idea, but she not

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only presented it, but voted for it and didn't really have a reason behind it. What do I tell them?"

Hamos: "Well, I'm trying to do some problem solving today, Representative, and problem solving to me means presenting several options to the Senate and to the Governor, because truthfully, we don't know what they are willing to live with. My Bill that I worked out very carefully in a bipartisan Mass Transit Committee is coming up next. That does have a self-contained funding source..."

Stephens: "Okay. Well, we'll discuss that under..."

Hamos: "...this does not."

Stephens: "...maybe under that Bill but I... for this Amendment, you're talking about problem solving, punching another couple of hundred million dollar hole in the state budget or whatever the dollar amount is. Even if it's a..."

Hamos: "Actually, it's three hundred eighty-five million (\$385,000,000)."

Stephens: "...even if it's a dollar (\$1) hole. If it's a one (\$1) dollar additional hole, this ship can't stay afloat as it is and you want to punch another hole in the side of the ship. It doesn't matter. You're heading in the wrong direction. I believe that Illinois understands that we only have so much money and we have basic services that we cannot provide and to come to the taxpayers of Illinois and say, you know what, just give me some more. You already gave me my share, now I want your share, is not an answer that we find acceptable."

Speaker Madigan: "Mr. Black."

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Black: "Thank you very much, Mr. Speaker and Ladies and Gentlemen of the House. While the mass transit system in northeast Illinois is certainly one that needs to be addressed, I would hope you would all listen to the debate on this Bill, because this Bill, quite frankly, in all due respect, and I know it wasn't your Bill, Representative, originally it wasn't your idea, this is a terrible Bill. This is not the way you want to bail out mass transit. Given that introductory statement, Representative, let me ask you a question. How much money are we diverting from the sales tax on motor fuel to the regional transit, CTA, et cetera, by this Bill?"

Hamos: "Well, it's an inexact science because it's not actually accounted for that way currently, but the best guess is about three hundred eighty-five million dollars (\$385,000,000)."

Black: "I... I think that's a very accurate figure. We are diverting three hundred and eighty-five million dollars (\$385,000,000) from the sales tax on motor fuel... by the way, we're one (1) of only nine (9) states that even collects that... and as the motor fuel prices continue to rise, we're going to take in more and more money. Now, under this Amendment, the transference of three hundred and eighty-five million (385,000,000), which will go up every year as the price of gasoline goes up, leaves a hole... would you agree... in the General Revenue Fund of the State of Illinois."

Hamos: "That is correct."

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Black: "Because that is currently where the sales tax on motor fuel goes. It goes into the General Revenue Fund. Ladies and Gentlemen... To the Bill, Mr. Speaker. Or to the Amendment. Ladies and Gentlemen, this is not a sound way to fund mass transit in any area of the state. You are taking, if my figures are correct, more than 50 percent of the total amount of money from the sales tax on motor fuel and diverting this to mass transit in the northeastern part of the State of Illinois, and you're doing so without a vote of the General Assembly. This Amendment calls for a continuing appropriation. It's going to be automatically transferred for the next five (5) years, ten (10) years, twenty (20) years, no matter how much money it is. Any attempt then that you want to make to use this tax, which as far as I'm concerned is a user tax, the people who pay it are the people who are paying up or filling up their automobile or their truck and the money will be not appropriated, a continuing appropriation that will grow every year to subsidize mass transit in the northeast part of the State of Illinois. Generally speaking, the Leadership of this Body has not been in favor of a continuing appropriation because it eliminates any oversight or ability that we have as an elected Body to control our expenditures. The second point I'd like to make, if you take three hundred and eighty-five million dollars (\$385,000,000) in this fiscal year out of the General Revenue Fund, there's nothing that I see in this Amendment, that may be in a trailer Amendment, I don't

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know, that backfills the money. You're taking three hundred and eighty-five million dollars (\$385,000,000) out of the general checkbook account with no information that I can discern as to how we make up that money. Comptroller's report yesterday made it very clear; we're \$1.7 billion (\$1,700,000,000) in unpaid bills right now. You cannot possibly remove three hundred and eighty-five million (\$385,000,000) from the General Revenue account and then continue to do so on a nonappropriated basis for the next however many years without a backfill of that money. Now, there's been rumors of a cigarette tax and there's been other rumors, but I don't see any of that language. I would urge you, Ladies and Gentlemen, and I know this is a very important issue, but this Bill is not good public policy. It removes us from the appropriation authority, it takes money from the General Revenue Fund without any attempt, so far, to replace that money in a year when I have no idea how we're going to finish up this fiscal year without a major supplemental and I don't know where that money would come from. The Gentleman called for a Motion on the Amendment, I would simply urge my colleagues vote 'no' on this Amendment, and let's get to a Bill that we can more rationally discuss on how we fund mass transit in Illinois. A continuing raid on the General northeast Revenue Fund and in my way of thinking, a raid on a user fee tax, is not the way to do this. It's bad public policy. I trust and hope and ask that you vote 'no' on this Amendment."

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Speaker Madigan: "Mr. Mathias."

Mathias: "Thank you, Mr. Speaker. Will the Representative yield?"

Speaker Madigan: "Sponsor yields."

Mathias: "Sponsor yields... one of the Sponsors. We had discussed earlier about an Amendment... a possible Amendment to Senate Bill 572, that's... I assume is being drafted."

Hamos: "Yes."

Mathias: "Those Amendments that you're proposing for 572, are they or any of them going to be in this Bill?"

Hamos: "There are only three issues that we're dealing with in the Amendment Senate Bill 572, one of them has to do with the Chicago real estate transfer tax, but that's unique to 572, not in here."

Mathias: "Right."

Hamos: "Secondly, it has to do with uses of the quarter per cent collar county tax that's unique to 572 not in here. And the third issue, which has to do with the selection of the RTA board chairman, is being amend... drafted right now, is an Amendment #5."

Mathis: "So, there will be a further Amendment to... to this Bill?"

Hamos: "One minor Bill, which only deals with that one issue."

Mathis: "And what about... is that the one with... where there'll be two members from each subregion?"

Hamos: "That's correct. Aligned in page Amendment. Yes."

Mathias: "Now ...and as you said that there is no real estate transfer tax in this Bill?"

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Hamos: "That's correct."

Mathis: "I know we discussed this Bill when it first came up for a vote. What is different from when we originally debated this Bill 'til... to the Amendment that you are offering now?"

Hamos: "It's essentially the same Bill, Representative. I think... I believe the only difference is making it a continuing appropriation, both for the revenues, the gasoline sales tax, well, really, gasoline sales tax revenues going to the RTA region as well as downstate revenues going to the downstate transit agencies."

Mathias: "So, all these… basically, items that are listed, at least on our screen, under Floor Amendment 4, some of those are already in the Bill… in the original. I mean are… were in the original Amen… the previous version of the Bill."

Hamos: "I'm guessing every one of those. I don't know exactly what's on your fec..."

Mathias: "Like the fare box recovery, we're not changing that?"

Hamos: "We moved that from ten (10) years to five (5) years, in the previous the Amendment, then we're keeping it at five (5) years."

Mathias: "And the votes for the RTA chairman is still eleven (11) out of fifteen (15)."

Hamos: "That's correct."

Mathias: "Now, one of the things that I see here, that may be a change, is the pension funds for the RTA... for the CTA."

Hamos: "Oh, that's true."

Mathias: "Is it correct..."

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Hamos: "That's true."

Mathias: "...now that the CTA is requesting more money for the pension fund?"

Hamos: "Thank you, Representative. I'm glad you raised that. Yes. So, when we said that three hundred eighty-five million (385,000,000) would be collected from this, we always had a hundred million (100,000,000) coming right off the top for the ADA Paratransit Fund, and an additional one hundred fifteen million (115,000,000) in the previous version coming off for the CTA pension reform debt service. Since time is marching on, it's going to be... require a larger pension obligation bond; and therefore, a somewhat larger debt service amount and what was agreed to by us was one hundred twenty-two million (122,000,000) instead of one hundred fifteen million (115,000,000). They wanted much more, we kept them at one hundred twenty-two million (122,000,000)."

Mathias: "When you say agreed to by us, you're not talking about the two of us..."

Hamos: "That's true. Well, I..."

Mathias: "...you're talking about somebody else."

Hamos: "Well, I think as the CTA and their unions came forward and expressed a lot of concern about the fact that this did not get done in 2008 and they're going to have to start ramping up very quickly to meet their pension obligation requirements. There was a concern that they would not have enough money out of this pot of money to pay for debt

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service, so it had to increase. The only question was, can we contain it to some reasonable level?"

Mathias: "So, whatever increase there is, in this case, I guess it's seven million dollars (\$7,000,000), that money is coming off the top. Is that correct?"

Hamos: "Yes."

Mathias: "Therefore, there'll be less money for suburban riders in Metra and suburban riders of PACE because you've now taken and diverted some of... some more of their money."

Hamos: "Well, it is true that if... when we take some moneys off the top, it leaves less for the formula distribution. The formula distribution itself didn't change, but it's a smaller pot and that does impacts CTA, Metra, and PACE proportionately. In the case of PACE, which is one that we worry about because they have a smaller budget but therefore greater impacts, it's less than a million dollar (\$1,000,000) impact by doing this."

Mathias: "So, you can... it's... is it fair to characterize this though, as giving more money to the CTA yet collecting less money from the City of Chicago?"

Hamos: "Well..."

Mathias: "Then... than Senate Bill 572?"

Hamos: "Well, yes. I would have to say that the total amount that is available under 307 is ninety million (90,000,000) less than under 572. This was always a..."

Mathias: "Right."

Hamos: "...shortcoming of this approach. And so, we're working with a smaller pot. At the same time, the CTA pension

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reforms are a terribly important part of our thinking on this, so we had to provide with a smaller pot, we had to at least make sure that we were going to get the CTA pension reforms we, as Legislators, wanted to get out of this; but therefore, we had to provide for the debt service."

Mathias: "Right. But it is true, the City of Chicago... So, this is a great deal for the CTA and the City of Chicago at the expense of the suburbs. Is that correct?"

Hamos: "I'm sorry, I didn't..."

Mathias: "I say, this is a great deal for the City of Chicago and the CTA and it's the suburban areas that are paying for it."

Hamos: "Well, truthfully, I really think that 572 is a better deal because this falls ninety million dollars (\$90,000,000) short of what we were really trying to provide for this system long-term."

Mathias: "And I agree with you and that's why I voted 'no' on this Bill last time, I will continue to vote 'no' on this Bill and why I voted 'yes' on 572. But as a suburban Legislator, obviously, in representing my district, I need to do what's, you know, I feel what is best for the suburban area and under this Bill, we're subsidizing even more than we normally do. In the suburban area, we're subsidizing the City of Chicago and the CTA. And the Auditor General even agreed with that. Is that correct?"

Hamos: "You know, I... I think that in Senate Bill 572 we were very mindful of the regional balance, both in how revenues were collected and how the moneys went out. This Bill was

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proposed by the Governor and it provides for only a certain amount of funds, so we're making do with what we can. It wasn't our approach. It wasn't our preferred approach, but it is a way to at least help get RTA system past this major hump which is coming right up on January 20."

Mathias: "Of course..."

Speaker Madigan: "Mr. Mr. Mathias..."

Mathias: "Yes."

Speaker Madigan: "...could you bring your remarks to a close?"

Mathias: "Okay."

Speaker Madigan: "Thank you."

Mathias: "Thank... thank you, Mr. Speaker. To the Bill. I... I just don't understand how anyone in the suburban Cook County or downstate would vote for a Bill that's going to cost our suburban areas money without any indication of where the hole in this money is going to be filled. Obviously, it's the case by downstate has already been made that we're taking money that's going to be used for downstate and subsidizing the CTA with moneys from downstate. So, I urge everyone to vote 'no'."

Speaker Madigan: "Mr. Tryon. Mr. Black. Mr. Black."

Tryon: "Thank you, Mr. Speaker."

Black: "Mr. Speaker... Mr. Speaker, an inquiry of the Chair."

Speaker Madigan: "State your inquiry."

Black: "Mr. Speaker, will you... I would trust that you would admonish the people. We are on Floor Amendment #1 to Senate Bill 307. And the previous... I'm sorry, Floor Amendment #4 to Senate Bill 307... and the previous

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conversation, two (2) people who are very familiar with this issue, Representative Mathias, Representative Hamos, were going back and forth about 572, what's in it and what isn't in it. Floor Amendment #4 to this Bill is complicated enough and I would... and I would hope that we would direct our comments to Floor Amendment #4 to Senate Bill 307 and not compare and contrast this with another Bill that may be called later. That just simply adds to the confusion that I think already exists on the House Floor."

Speaker Madigan: "Mr. Tryon."

Tryon: "Thank you, Mr. Speaker. If the Sponsor would yield, I would like to ask some questions."

Speaker Madigan: "Sponsor yields."

Tryon: "Representative Hamos, this Bill came before the Mass Transit Committee last week and we had discussions, very detailed discussions, about the need to be able to backfill a four hundred million dollar (\$400,000,000) hole that we put into the... into the budget and we had the Governor's staff in to... to give us their recommendations and ideas for backfilling of the hole that we were going to leave in the budget. How come you haven't included any of those ideas in this Bill?"

Hamos: "I am working hard to, as you will... I hope all acknowledge... to stave off a very serious doomsday and truthfully, we're trying to do problem solving here. There was no consensus on any of the ideas that came before us last week. I still thought it was a good effort to

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consider those, but as I had a chance to talk to many of the Members of the committee, we simply could not pass a Bill with any of those backfill ideas. So, there's... the moment will have to come where we will have to find some other revenues to fill this hole."

Tryon: "Isn't it correct that the Governor's proposal was to sweep the funds of the special funds that we budget for?"

Hamos: "Well, the Governor... we asked the Governor to step forward with a couple of different things. He still was talking about corporate tax loopholes. He was giving us a full review of all the funds with the possibility of fund transfers and then I, myself, put on the table another idea which was the cigarette tax. Those were just ideas last week and we just did not have the consensus or the votes necessary to pass this Bill, move this along and try to at least solve this one major problem facing the state right now."

Tryon: "Representative Hamos, in this region where they generate sales taxes of roughly four hundred million dollars (\$400,000,000) on the sale of gasoline, isn't it break down... it's been very hard to get the actual numbers without knowing the actual gallonage, but is it safe to say that 45 percent of the gas tax on the sale of gasoline would come from the collar counties and 21 percent of the gas tax money would come from the City of Chicago?"

Hamos: "Well, one chart that was provided to me did make some assumptions and did do some almost the back of the envelope calculations. It looked at how many car registrations that

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were... there were and it put them accord... you know, proportionately to the different subregions. It looked at the sales taxes collected totally. It divided those by subregions. We don't really have a current number, but it is correct that I have seen one (1) chart that does exactly what you just said, but it's a rough estimate at this point."

"Well, I have looked at the actual number of gallons Tryon: sold in McHenry County, so I know what that is. And in comparison of Senate Bill 307 to Senate Bill 572, this is going to take a per taxpayer burden... per capita taxpayer burden in McHenry County and double what 572 does. It will double the amount of money that directly goes into mass transit, to the CTA, without providing any additional services to any of the collar county regions in the Metro area. I don't know how we could vote for this. How could anybody in a collar county vote without knowing exactly what the diversion is going to do to their area and not knowing exactly what the tax burden is on the... per capita on the taxpayers in your area. I do think that it's a legitimate and prudent discussion that we should have about how we might engage the use of the sales tax that the state is receiving from the increased price of gas, but I don't think we can just divert all the sales taxes generated by gasoline, have a hole in the budget of four hundred million dollars (\$400,000,000), not know what we're doing to the taxpaying base in the Chicago Metropolitan area. Bill, in my opinion, is not a good Bill. It's not a good

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solution to the mass transit problem and I would hope that this Bill would once again be defeated by this chamber. Thank you."

Speaker Madigan: "Mr. Winters."

Winters: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Winters: "Representative Hamos, is this a long-term solution to the Chicago transit problems?"

Hamos: "Well, I would maintain that it will take them quite a long way. Yes, it doesn't provide for as much in revenues as the other Bill, but it is an ongoing continuing appropriation and it will and certainly boost their revenue picture quite... by quite a bit."

Winters: "Well, my understanding is, that while this is an operating... this supports the operating budget of the CTA and the RTA, it does not address the capital needs of Chicago transit. I've also heard that as of August, the projection is that the CTA because of the condition of the wheels on its rail cars, they will not be able to sustain the service that they currently have because of the lack of capital in their budget. They can't divert anymore capital, they've already done that for several years because they haven't figured out how to raise fares. They will not be able to maintain service as early as August of this year without capital. Does this contain any capital for the Chicago transit?"

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Hamos: "This is to take care of the operating budget needs of the RTA, region... regional transit system. A capital Bill would have to be a totally different Bill."

"Well, what you're telling us is you... you can keep it open for at least six (6) months until maybe next August at which point people are going to be facing service cutbacks and at the same time, what you're doing is taking almost four hundred million dollars (\$400,000,000) every year out of the gas tax that's used to maintain our roads. Now, I happened to drive down on I-55 and I-39 yesterday and there were wheelbarrow sized holes in the interstate. because we cannot maintain our infrastructure downstate. These are the axel eaters and the tire beaters that we have throughout downstate and yet you're diverting almost four hundred million dollars (\$400,000,000) away from what we could use for our highways and putting it in Chicago. It's a continuing appropriation. We never have to come back for anymore authority and in fact, it will grow year by year. Is that a fair statement?"

Hamos: "No, it isn't, Representative. When we... when we go to fill up our car at the gas tank there are two (2) kinds of taxes collected..."

Winters: "I understand that this is sales tax."

Hamos: "...and one (1) of those goes into the Road Fund. That's what goes to pay for the potholes in your district. The other one (1) is the gasoline sales tax that goes into the General Revenue Fund. That's what goes to pay for the many other needs of the state."

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Winters: "Any dollar in the General Revenue Fund would be available for highway maintenance if that is what this General Assembly chose to do with it. So, any dollar diverted out of General Revenue Fund is a dollar that could be spent on highways and other forms of transportation, not just in Chicago but in the entire state. I also have a question, I believe our analysis shows that the… the pension obligation bonding authority would go up by about two hundred million dollars (\$200,000,000). Is that your analysis?"

Hamos: "I believe that's correct. A hundred..."

Winters: "It goes from..."

Hamos: "...a hundred ten... a hundred ten for pensions and eighty for health care trusts."

Winters: "Okay. It looks... it looks like in... it looks like it was one point eight seven eight billion (1,878,000,000) now going to one point nine eight billion (1,098,000,000). Where did that expansion in the pension obligations come from? Was that interest that was not earned over the last six (6) months?"

Hamos: "Well, I think... we do think it was a delay that caused this and we do require that beginning January '09 to begin to ramp up very quickly to achieve a 90 percent funded pension system, so it's all part of the same process. But because of the delay, they are required now to go with the larger pension obligation fund and a larger debt service."

Winters: "A larger debt service. So every year we will be paying additional money over what we would have last summer

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if we had reached a long-term solution last summer. I repeat to the Members of this Body, this is not a long-term solution. We will be back here by August because the CTA cannot sustain its operations without capital. We are diverting money out of the sales tax going into the General Revenue that could be used for any other purpose around the state. We're putting it into the Chicagoland area alone. That diversion from downstate, if not illegal, it ought to be... or is immoral, and I think that this Bill should be defeated. Do not send this to the Senate. Let's take up the other proposal that is in front of us, hopefully defeat that also, until we get capital for the entire state. Thank you."

Speaker Madigan: "Mr. Bill Mitchell."

Mitchell, B.: "Thank... thank you, Mr. Speaker. Would the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Mitchell, B.: "Representative, did you read in the Decatur paper and in the Bloomington paper, they both had a story, I think it was two (2) days ago that the Comptroller, the Democratic Comptroller, of the State of Illinois had his report. Did you read that report by the Comptroller on state finances?"

Hamos: "I haven't read it yet."

Mitchell, B.: "The Comptroller said that we have, I think, one point seven billion dollars (\$1,700,000,000) in unpaid bills. That's up four hundred million (400,000,000) from just last year. This Bill, just perchance, takes another

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three hundred and eighty-five million dollars (\$385,000,000) and makes the situation worse. Is that correct?"

Hamos: "Well, it does create a budget hole. I've acknowledged that, this is not my idea, it was the Governor's idea."

Mitchell, B.: "And I... I... you're in a very unenviable situation presenting the Bill and I'm sorry."

Hamos: "That is correct."

Mitchell, B.: "But Representative, the hospitals in my district and I'm sure in your district, the nursing homes, the pharmacies, they're calling and they're saying that they've... we've had overdue three (3), four (4), five (5) months in terms of unpaid bills. And yet the State of Illinois's response at least and you're presenting the Bill is to make that problem worse. How can we do that as a Body? I don't care what region from the state we're from. It's just not good public policy."

Hamos: "I... Yes. I think, Representative, I think this delays the inevitable. We do have to come up with some other revenue ideas for a backfill. I assume that will be part of the whole budget negotiations because we have some other pressing budget needs as you yourself pointed out. So, this just puts off that process in order to keep the RTA system and the downstate transit systems well funded in the meantime."

Mitchell, B.: "I represent all or parts of seven (7) counties right here in central Illinois. Now, more people in my area drive their car for a longer distance just to get to

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- work. So, if you live in Clinton, Illinois, and you work in Bloomington or Hopedale and drive to Peoria, you're... you need your car. Now, what would this do... this Bill do... to help downstaters in terms of their roads? Does this... I mean, we know it bails out the Chicago transit, but what does it help my commuters that drive to Peoria?"
- Hamos: "You know, Representative, I do acknowledge the need for a capital Bill. I think the state is overdue and we should have a capital Bill and that would provide for roads as well as transit as well as school construction as well... as well as some other construction needs. That is not the Bill I'm presenting today."
- Mitchell, B.: "Does this Bill give any relief to the motorist who fills up their tank and I said where I was in my...

 Forsyth it was three dollars and ten cents (\$3.10) today.

 Does it give any relief to the people?"
- Hamos: "No. But it doesn't add to their burden either, it's exactly what they've been paying."
- Mitchell, B.: "No. But we, as Representative Black said so eloquently, we're only one of nine (9) states in the Union that has a sales tax on gasoline. How much... For instance, if gas raised fifty cents (\$.50), how much does the State Treasury get? If gas goes up six... fifty cents (\$.50) a gallon, how much does the State Treasury get?"
- Hamos: "I don't think I know the answer."
- Mitchell, B.: "I believe it's about a hundred and twenty million dollars (\$120,000,000). So, gas has gone from two (\$2) to three dollars (\$3), the state is making a windfall.

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The state is being a gas gouger. And we're not offering the men and women... the working men and women of the State of Illinois any relief. We're saying no, no, no, we're not go... Gas is three dollars and ten cents (\$3.10), folks, but we're not going to give you any relief. We're going to send the money to the people of the City of Chicago. Now, what does that do? How can a downstater support this Bill?"

Speaker Madigan: "Mr. Mitchell, could you bring your remarks to a close?"

Mitchell, B.: "Yes. Just when was the last time there was a fare increase, Representative?"

Hamos: "I believe there have been pretty much ongoing fare increases and the last one in the CTA area was just two (2) years ago."

Mitchell, B.: "Two (2) years ago. Okay. Thank you."

Speaker Madigan: "Mr. Eddy."

Eddy: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Eddy: "Representative Hamos, I have some questions about the pension issue because you kind of perked my ears up. I don't want to get too technical about it, but I... I thought I heard you say that part of the funds or the increased funding that the CTA would... would receive as a result of this legislation would allow them an opportunity to ramp up the fund to a 90 percent ratio of support. Is that... is that accurate?"

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Hamos: "So, Representative, we passed a Bill independent of all of this that requires the CTA, on the verge of their pension system going bankrupt, to... requires them to pay out... to put enough money into the pension system beginning in January '09 that ramps them up to their... to a over 50year process... a 50-year period to get to 90 percent. We require that by law. It was a separate law. Now, what made that very, very tough for the CTA is that without pension reform they would have been paying a big part of their budget just for pensions and health care... retiree health care. That's why we insisted that as part of giving them new money they also had to contain their pensions and retiree health care costs and they had to do that with real, honest-to-God pension reform. So, those two (2) go hand in hand and... but we required that, yes. That they will get to a 90 percent funded... funded ratio by 2059."

Eddy: "Okay. So, those are problems very similar to problems related to other pension systems and health care for the State of Illinois. So, in other words, those problems that face them face us as well. But in this case, this legislation then would... would provide them with some of the revenue necessary in order to meet the demands of that ramped up schedule and those increased costs..."

Hamos: "Yes, but..."

Eddy: "...by diverting... by diverting motor fuel tax funds to the CTA for that purpose?"

Hamos: "Yes, but..."

Eddy: "I mean, is that..."

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Hamos: "...but we demanded reforms at the same time."

Eddy: "Okay. And..."

Hamos: "This was no free check. We demanded a lot of reform to make that available to them."

Eddy: "Can we get into what those reforms were then, because what is it we're buying here? What... what reforms? What did the members of that pension system put into this? How are they contributing to help solve this problem?"

Hamos: "We're..."

Eddy: "For example, I mean..."

Hamos: "We're going to increase contributions by current employees. We are going to reduce benefits by retirees. We're going to spin off... this is a major issue... the UAW went on strike over this one issue. We are going to spin off their health care trust and make that self-contained. In other words, they're going to have to reduce the health care benefits available from the Cadillac plans that they've had previously to something more manageable and everybody's going to be paying more and getting less. That's what real reform is about."

Eddy: "I don't want to interrupt you when you..."

Hamos: "And we also changed the governance of both the retiree...

the pension board and the retiree health care trust to add
a neutral member that's appointed by the Auditor General...

no, we changed that... it's appointed by the RTA, I'm sorry,
but a neutral member and the Auditor General is going to
have ongoing oversight."

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Eddy: "Well, I appreciate the explanation and to know how much they sacrifice, I'd have to go into how much they had and how many years it took to get and what percentage and all of that and that's minutia and I understand that. the bigger point here is to someone who represents a downstate district, this... this reform of the system, while it was probably necessary, long overdue and contributed to the high costs, I would be voting in this case to support the diversion of sales tax on gasoline paid in my district to take care of that problem that's exclusive to that system. So, I have a little bit of a problem with that and I hope you can understand that those types of issues are very, very difficult ones for downstate folks to kind of go back home and talk... how could you possibly support them. Let me ask you one other quick question..."

Hamos: "And there was... there was..."

Eddy: "...and then I'll... I'll bring it to a close."

Hamos: "Representative, that wasn't exactly accurate. I just wanted to make sure you understand that the diversion of gasoline sales tax is only from the RTA region. So, unless a portion of your district is from the RTA region, six (6) counties, we would not be diverting gasoline sales tax to meet these needs."

Eddy: "It's out of General Revenue, correct?"

Hamos: "That's a budget problem, but it's not diverting from your region, your district, to pay for the CTA pension reform."

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Eddy: "However, it is going to affect possibly on GRF my district and what programs might be available, so there is some connection. My final question has to do with this. This is the other thing that I hear in my district. I'm paying three twenty-nine (\$3.29) or three forty-nine (\$3.49) for gasoline. It costs more for me to be transported. What... what's happening to the two dollar (\$2) fare that someone's paying that... that uses directly to transportation? What will be the immediate effect on what they pay?"

Hamos: "We require, as we have for the past twenty-four (24) years, that 50 percent of the RTA transit system budget has to be borne by the farebox. We are not changing that 50 percent farebox requirement; however, we are allowing... and this is a change pursuant to Republican request... we are going to allow for a phase-in but we're reducing the... even the phase-in time. And that will mean a fare increase maybe not this year but certainly by next year. This also produces ninety million dollars (\$90,000,000) less than the other Bill that's going to require a fare increase to make up that difference."

Eddy: "Representative, I appreciate those answers and I also appreciate your work on this because it is a difficult issue and it is one that needs to be solved. However, if the people who are directly benefiting from the service are not directly participating immediately in some fashion in paying the costs that are necessary to keep it going, it's a tough sell. And... and I'm just telling you that from the

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standpoint of someone who may want to help solve the problem, but can't do it if there's nothing in this that's substantial for those folks who are paying the fare to help pay that fare. And until we see something that is a more equitable and what we would consider to be a plan that would put the cost of the system on those who use it, it's going to be very, very difficult to support. Thank you for the opportunity to engage though and get those explanations on the pension. I would like to get the definite answers to where they came from and what they went to with pension benefits at some time from staff. Thank you."

Speaker Madigan: "Representative Hamos to close."

Hamos: "Thank you. Ladies and Gentlemen, the only reason I'm calling this Bill today is because the Governor sent us a letter endorsing it and the Governor said in his letter that he is supporting what he calls Representative Saviano's plan or a comparable plan to provide mass transit funding. This is a Bill that he has already announced he can sign. We're working toward a solution here and it's very much offered in that spirit. And I seek an 'aye' vote."

Speaker Madigan: "The question is, 'Shall the Amendment be adopted?' Those in favor signify by voting 'yes'; those opposed by voting 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 63 people voting 'yes', 52 people voting 'no'. And the Amendment is adopted. Are there any

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further Amendments? Mr. Stephens. Further Amendments? Mr. Clerk."

- Clerk Bolin: "Committee Reports. Representative Currie, Chairperson from the Committee on Rules, to which the following legislative measures and/or Joint Action Motion were referred, action taken on January 09, 2008, reported the same back with the following recommendation/s: 'direct floor consideration' for Amendment #5 to Senate Bill 307."
- Speaker Madigan: "Mr. Clerk, are there further Amendments?"
- Clerk Bolin: "Floor Amendment #5, offered by Representative Currie, has been approved for consideration. Correction.

 Representative Hamos has been approved for consideration."
- Speaker Madigan: "All right. Amendment #5, Representative Hamos."
- Hamos: "Thank you. Ladies and Gentlemen, this is an Amendment that deals with only one issue and that has to do with the election of the RTA chairman. The RTA chairman is selected from the outside. There will be fifteen (15) board members, the sixteenth member has to be elected and this Amendment says that we think of... we think of the RTA region as subregions: City of Chicago, suburban Cook and the five (5) collar counties. This Amendment says that for the election of the chairman at least two (2) have to come from each of the three (3) subregions. The whole... entire purpose here is to maintain regional balance and I think everybody does agree to this Amendment."
- Speaker Madigan: "The Lady moves for the adoption of the Amendment. There being no discussion, the question is,

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- 'Shall the Amendment be adopted?' Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The Amendment is adopted. Are there any further Amendments?"
- Clerk Bolin: "No further Amendments have been approved for consideration. No Motions filed."
- Speaker Madigan: "Put the Bill on the Order of Third Reading and read the Bill for a third time."
- Clerk Bolin: "Senate Bill 307, a Bill for an Act concerning transportation. Third Reading of this Senate Bill."
- Speaker Madigan: "Ladies and Gentlemen, the... this matter was fully debated on Second Reading and it would be my proposal that we just proceed to Roll Call. So, Representative Hamos moves for the passage of the Bill. Mr. Black."
- Black: "Mr. Speaker, thank you very much. I can appreciate your... your desire to move this as quickly as possible. I would like to be recognized to have my right to speak on this Bill. Thank you. Ladies and Gentlemen of the House, I've been here long enough to know when the train is on the track. Every time I see the conductors out by every door, I know that you're told to be in your seats, that a question of verification is a waste of time and that you've all been discussed or talked with about how to vote. I understand that. Sometimes you have to make tough decisions and it's not easy to be the Leader and I respect the Speaker for what he evidently thinks he has to do on this Bill, but I respectfully disagree. And I would urge all of you, at some point in this process, whether you're here one (1) term or ten (10) terms, you have to sometimes

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take a stand on this floor for what you think is right, not for what your Leader thinks is right, not because the Governor thinks it's right, but because you have looked at a Bill and you have come to the conclusion that we can do better. You know if Senator Obama can meet with success on the Presidential primary trail by talking about change, then we need to change. We can no longer be a Body when we're like lemmings on our way to the sea because the Republican Leader or the Democrat Leader tells you how to vote that you automatically vote that way. That can't That's part of the change that Senator Obama's work. talking about. You must empower yourselves. You must represent your constituents. This is a terrible Bill. I implore you; I beg you. You are taking four hundred million dollars (\$400,000,000) of General Revenue money from the sales tax on motor fuel and giving it a continuing appropriation. You can't revisit it. And you will send it to the CTA, a model of efficiency and good government. all know that. When gasoline hit three dollars and thirtyseven cents (\$3.37) a gallon in my hometown a few days ago, that hurts. What we should be talking about is a gradual phase-out of the sales tax on motor fuel. constituents are paying at least six and a half percent on motor fuel and depending on what your county and cities have done, you could be paying 7 or 8 percent. You should be worried about putting that money back in the pockets of your constituents, not bailing out the CTA with General Revenue money that there is no plan to replace, no plan to

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backfill. Don't come in here a month from now when crude oil hits a hundred dollars (\$100) again and the price of gas goes up and say, how can we give motorists a break. The only thing we as a state can do, and we've done it before, is to eliminate or suspend the sales tax on motor fuel. You are now removing that ability in a time where oil and gasoline prices are at a volatile high price. I don't think this is good public policy. I don't think it's what your constituents will buy into. I don't think it's fair to use a user tax to bail out the CTA. And I certainly don't think it's fair or good public policy to rob a General Revenue Fund that doesn't have enough money to meet our current obligations, and we all know that, for a temporary bail out of the CTA. There are better Bills. A better Bill will be called before this day is over. This Bill should be defeated. And for those of you who may blindly vote 'yes' for this, shame on you. You know better. You know better down deep. You know that we can do better. This is not the way; it's certainly not the time to raid the General Revenue Fund with no substantive talks on how you're going to replace four hundred million dollars (\$400,000,000) that you're taking out of our checkbook. What are you going to tell your Medicaid people when we can't pay their bills? What are you going to do when you tell people who are on Family Care that we can't pay their bills because you took four hundred million (\$400,000,000) out of the general checkbook account that could have been used to pay those bills. This is bad

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public policy, a bad Bill and in all due respect to whose ever idea it was, this deserves a 'no' vote."

- Speaker Madigan: "The question is, 'Shall this Bill pass?'

 Those in favor signify by voting 'yes'; those opposed by voting 'no'. Have all voted who wish? Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 66 people voting 'yes', 49 people voting 'no'. This Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Black has filed a Motion to reconsider the vote by which this Bill just passed. Those in favor of that Motion will vote 'yes'; those opposed will vote 'no'. So, if you support the Bill vote 'no'. If you support the Bill, vote 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 53... 53 people voting 'yes', 61 people voting 'no'. And the Motion fails. Representative Currie."
- Currie: "Thank you, Speaker. I move that we adjourn the Seventeenth Special Session until 11:00 tomorrow, January 10."
- Speaker Madigan: "You've all heard the Lady's Motion. Those in favor say 'aye'... Mr. Black."
- Black: "Mr. Speaker, I would like the… before we leave Special Session, I'd like the Journal to reflect that I voted 'yes' on Senate Bill 307 for the purposes of a parliamentary maneuver that I thought would trick you. I should have known better. I had no idea the Clerk would be so quick to deliver my Motion to reconsider. It's not like the old

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days, Mr. Speaker, can't pull one over on you at all. But I would like the Journal to reflect that I certainly had intended to vote 'no' on Senate Bill 307, but I was overcome with the opportunity to perhaps pull a parliamentary maneuver on you and Mr. Ellis. Unfortunately, it didn't work."

Speaker Madigan: "Representative Currie moves that the Seventeenth Special Session stand adjourned until tomorrow at 11 a.m. For what purpose does Representative May seek recognition..."

May: "Yes."

Speaker Madigan: "...on the Motion to Adjourn the Seventeenth Special Session?"

May: "No. I just wanted to make an announcement..."

Speaker Madigan: "So..."

May: "...before we adjourn, yes."

Speaker Madigan: "Let us do our Motion."

May: "Yes, thank you."

Speaker Madigan: "So the Motion is to adjourn the Seventeenth Special Session until tomorrow at 11 a.m. Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. Representative May."

May: "Thank you. The Environmental Caucus was scheduled to meet in 115 at 5:30. Because we've adjourned, we will move up our convening 'til 5 p.m. Environmental Caucus, Room 115 at 5 p.m. Thank you."